Summary of Appropriations (\$000)							
	FY2010	FY2011	FY2012	FY2012	FY2013	FY2012 Revised to	
	Actual	Actual	Adopted	Revised	Recommended	FY2013 Recommended	
Appropriations	\$18,520	\$21,174	\$10,858	\$10,858	\$22,838	\$11,980	
Capital	1,192	41,100	71,800	71,800	30,300	(41,500)	
Rose Bowl Operating Company Total	\$19,712	\$62,274	\$82,658	\$82,658	\$53,138	(\$29,520)	
Summary of Revenues (\$000))						
	FY2010	FY2011	FY2012	FY2012	FY2013	FY2012 Revised to	
	Actual	Actual	Adopted	Revised	Recommended	FY2013 Recommended	
Rose Bowl	\$16,002	\$20,563	\$8,222	\$8,222	\$20,098	\$11,876	
Golf Course	2,706	2,663	2,636	2,636	2,740	104	
Bond Proceeds	0	40,000	70,000	70,000	16,000	(54,000)	
Fund Balance	1,192	1,100	1,800	1,800	14,300	12,500	
Rose Bowl Operating Company Total	\$19,900	\$64,326	\$82,658	\$82,658	\$53,138	(\$29,520)	
Summary of FTEs							
	FY2010	FY2011	FY2012	FY2012	FY2013	FY2012 Revised to	
	Actual	Actual	Adopted	Revised	Recommended	FY2013 Recommended	
Rose Bowl	19.15	19.15	20.15	20.15	20.40	0.25	
Golf Course	1.85	1.85	1.85	1.85	1.60	(0.25)	
Rose Bowl Operating Company Total	21.00	21.00	22.00	22.00	22.00	0.00	

Mission Statement

The mission of the Rose Bowl Operating Company (RBOC) is to improve the quality of life in Pasadena by providing top quality entertainment and by generating revenue through the operation of a world-class stadium and a professional quality golf course complex.

Program Description

The RBOC is a California non-profit, public benefit corporation, founded in 1995 by an act of the Pasadena City Council. As a legally separate entity, the RBOC has an independent board that governs its operations and adopts its annual budget. The operations of the RBOC are accounted for as a distinct component unit of the City consistent with generally accepted accounting principles. As such, the following information is for informational purposes only.

The RBOC's primary purpose is to enhance economic and civic value to the City of Pasadena by managing a world-class stadium and a professional quality golf course complex in a residential open-space neighborhood. The RBOC is responsible to the residents of Pasadena to inform them of potential environmental impacts from the operation of the stadium, to take all reasonable preventive measures and to seek feedback from those impacted.

The Rose Bowl's multifaceted events have included the annual New Year's Rose Bowl Football Game including the 2002, 2006 and 2010 BCS National Championship Games, 1984 Olympics Soccer Finals, 1994 Men's World Cup Soccer, 1999 Women's World Cup Soccer Finals, five (5) Super Bowl football games, UCLA home football games, a variety of concerts and other activities such as the monthly R.G. Canning Flea Market, car shows and filming, all of which generate revenue for the Rose Bowl Fund.

In addition, the RBOC is responsible for the management of the Brookside Golf complex through concessionaire contracts with American Golf Corporation and John Wells Pro Shop.

The Department performs the following services:

- Manages a world-class stadium
- Manages a professional quality golf course

Departmental Relationship to City Council Goals

The specific activities that have contributed to the achievement of these goals include the improvement of customer service and the ongoing development and implementation of better financial reporting and oversight.

Fiscal Year 2012 Accomplishments

The Rose Bowl Operating Company accomplished the following during FY 2012:

- Continued to expand community outreach by having a series of community meetings, inviting Neighborhood associations, as well as organizations that have shown interest in the Rose Bowl. Such meetings include "scoping sessions" with regards to the Environmental Impact Report currently underway.
- Continued the Construction Phase of the "Renovation Project" (Strategic Plan), with the construction and installation of 5 of 7 of
 the new electrical enclosures for the new electrical service, widening of four North end tunnels and reconfiguration of the North
 field wall and concrete seating deck repair, along with the continued reconstruction of the new Press Box building.
- For the 13th consecutive year beginning with fiscal year ended 1999, obtained an unqualified opinion, this time from the new, independent auditors on its separate company financial statements and schedules, the latest fiscal year being fiscal year ended June 30, 2011.
- For 3rd year in a row experienced food & beverage sales that were higher on average with the newer concessionaire than with the previous subcontractor.
- Continued a now 85 year tradition by staging an annual July 4th / Independence Day event with a variety of music acts and other forms of entertainment acts such as the Mariachi Divas, Jan & Dean, a motorcycle show and a drum corps international performance. Also, in the process of booking a similar event for July 4, 2012 for upcoming fiscal year 2013, again featuring fireworks, a motorcycle show and a drum corps performance.
- ❖ Staged the 98th Tournament of Roses football game, with a classic Pac-12 / Big-10 match-up between the BCS # 5 ranked Oregon Ducks against the BCS # 10 ranked Wisconsin Badgers. After having won three straight Pac-12 Championships in a row, 11-2 Oregon made its 2nd appearance in three years and 6th overall. Wisconsin, the Big-Ten champions, also 11-2 entering the contest,

returned for the 2nd year in a row for its 8th appearance overall. Oregon prevailed with a score of 45 to 28, winning its first Rose Bowl Game since 1917. This made for the highest scoring Rose Bowl Game ever.

- Co-promoted the Rose Bowl Half Marathon for the 5th consecutive year, which was again profitable despite ongoing competition from many similar events and despite the continued struggling economy.
- Hosted the "Autism Walks" event for the 9th consecutive year attracting approximately 20,000 to 25,000 participants again.
- Continued to conduct and tally surveys with customers of the Pro Shop, Restaurant and Golf Course at Brookside to determine where improvements can be made.
- Began the Fairway Replacement phase for course # 2 as part of the Golf Course Master Plan.
- Removed 182 trees in 7 days, quicker than any other golf courses in the Los Angeles area, after an unforeseen and severe
 windstorm that occurred in late November 2011.
- Continued to collect the "9.5% of Golf Course Revenue" from American Golf Corporation, approximately \$364,000, plus another \$100,000 to fund the multi-year Golf Course Master Plan and other golf-related CIP's.

Fiscal Year 2013 Recommended Budget

Operating Budget

The FY 2013 Recommended Budget of \$53,137,751 is \$29,520,000 or 35.7 percent lower than the FY 2012 Revised Budget.

Personnel

A total of 22.0 FTEs are included in the FY 2013 Recommended Budget, which reflects no change from the FY 2012 Revised Budget.

Year-Over-Year Budget Changes

Rose Bowl Fund

- Cost Changes: Debt Service on bonds includes increases of \$10,854 principal and interest combined for the 2006 bond (locker room) and \$9,611,632 on the four 2010 bonds (renovation project). For FY 2013, the interest expense on the 2010 bonds will continue to be offset with bond subsidies and capitalized interest during the construction phase. Service and Supplies: Increase of \$966,665 due mainly to additional event expenses, which are mostly offset with higher event revenue: approximately \$295K for extra UCLA game (7 vs. 6), \$108K more for bi-annual UCLA vs. USC game, which costs more than most regular home games, \$150K for Tailgate expenses and Restroom Corrals for all UCLA and the New Year's games, and \$75K for rental of LED field video boards. Also, non-event expenses including \$75K to convert a retiring FTE to a contractor and \$156K for added business development and a revenue consultant related to premium seating sales. Most nonevent-related operating expenses are being increased by 2.7 percent as per the FY 2013 Budget Instructions.
- FTE Changes: Increase of \$177,375 in Salaries & Benefits comprised mostly of converting a contractor to fill a vacant FTE
 position and for increased pension and other benefit costs for all FTEs. For the most part, salaries are again being frozen for fiscal
 year 2013.
- Revenue Changes: Non-Operating Revenue: Increase of \$10,806,370 comprised principally of \$9,611,632 in 2010 bond subsidies and capitalized interest, \$311,738 from Advertising and \$860,000 in Tournament of Roses Association "User Fee", both earmarked for funding of the "Renovation Project".
 - Operating Revenue: Increase of \$1,069,286 in Event Revenue consisting mostly of \$912,511 for extra UCLA game and higher generating bi-annual UCLA vs. USC game and \$100,000 for the Flea Market reflecting this tenant's improved results in FY 2012.
- Capital Expenditures: Reduction of \$41,500,000 with the Renovation Project accounting for \$40,000,000 of this change.

Golf Fund

- Cost Changes: Most operating expenses are being increased by 2.7 percent as per the FY 2013 Budget Instructions.
- FTE Changes: Other than an internal allocation between the stadium and golf funds, there are no FTE changes and salaries are again being frozen for fiscal year 2013.
- Revenue Changes: Increase of approximately \$103,105 to reflect golf course's better performance during FY 2012.

Future Outlook

The current Rose Bowl Stadium Renovation is scheduled for completion in December of 2013. This renovation includes amenities for patrons such as new video screens, restrooms, concession stands, entry gates, widened seating access tunnels and a new press structure, which will include club seating, lounges and true luxury suite seating. It is this additional, premium club/luxury suite seating that will generate revenue from sales to cover the expense of the renovations and also provide additional opportunities for the stadium to generate ancillary revenue. In addition to the new revenue-generating opportunities provided by the renovation of the stadium, a philanthropic group, Legacy Connections, has been formed to spearhead private sponsorship/naming rights efforts to defray some of the project costs. To date, Legacy Connections has raised in excess of \$7 million in pledges for the cost of the renovation. The employees of the RBOC will use their best efforts in continuing to pursue those opportunities that will maximize and improve the RBOC's financial position.

Performance Measures

ROSE BOWL STADIUM

Goal: Maintain and ensure customer satisfaction, contract compliance, and consistent revenue

performance with competitors.

Objective: Maintain community, tenant and patron satisfaction on a consistent basis throughout the

fiscal year.

		FY 2011	FY 2012	FY 2012	FY 2013
Measures:		Actual	Target	Mid-Year Actual	Target
1	Keep number of community complaints to 5 or fewer per quarter (20 per year)	11	20	1	20
2	Clean surrounding neighborhoods within 24 hours of event	24	24	24	24
3	Respond to disturbances related to events in a timely manner	100%	100%	100%	100%

GOLF COURSE

Goal: Maintain and ensure customer satisfaction, contract compliance and consistent revenue performance with competitors.

Objective: Ensure 100% compliance with contract requirements.

		FY 2011	FY 2012	FY 2012	FY 2013
Measures:		Actual	Target	Mid-Year Actual	Target
1	100% compliance with contract requirements.	100%	100%	100%	100%
2	Completion of contracted capital improvements by American Golf	100%	100%	n/a	100%

Objective: Ensure customer satisfaction with respect to 1) playing conditions, 2) aesthetics of golf course, 3) pro shop merchandise and 4) quality of food service.

		FY 2011	FY 2012	FY 2012	FY 2013
Measures:		Actual	Target	Mid-Year Actual	Target
1	Baseline of 3.0 for customer satisfaction with playing conditions and aesthetics of golf course.	2.7	3.0	2.8	3.0
2	Baseline of 3.0 for customer satisfaction with quality and appeal of pro shop merchandise.	3.4	3.0	3.5	3.0
3	Baseline of 3.0 for customer satisfaction with quality and delivery of food service.	3.2	3.0	3.2	3.0

Objective: Compare revenue figures with those of other golf courses.

		FY 2011	FY 2012	FY 2012	FY 2013
Measures:		Actual	Target	Mid-Year Actual	Target
1	Gather data from other golf courses regarding number of rounds played, using the competitors average (ca) as a target.	133,900 (CA=132,967)	127,000	66,751 (CA=66,611)	132,000
2	Gather data from other golf courses regarding green fees, using these competitors' average (ca) as a target.	\$3,832,700 (CA = \$4,009,533)	\$3,633,511	\$1,853,874 (CA = \$2,004,765)	\$3,800,000
3	Gather data from other golf courses regarding cart rental fees, using these competitors' average (ca) as a target.	\$875,000 (CA=\$885,667)	\$815,897	\$437,477 (CA=\$439,839	\$950,000